

FILED
UNITED STATES DISTRICT COURT FOR
DISTRICT OF MASSACHUSETTS

2004 OCT 21 P 3:15

SECURITIES AND EXCHANGE COMMISSION, :

Plaintiff, : C.A. No. 04-CV-10832-JLT

v. :

JAMES E. REID :

Defendant. :

**DECLARATION OF SCOTT D. POMFRET, ESQ. IN SUPPORT OF
PLAINTIFF'S MOTION FOR ENTRY OF DEFAULT JUDGMENT
AGAINST DEFENDANT JAMES E. REID**

Pursuant to 28 U.S.C. §1746, Scott D. Pomfret, Esq. declares under penalty of perjury that the following is true and correct:

1. I am Senior Counsel in the Boston District Office of plaintiff Securities and Exchange Commission (“Commission”). I make this Declaration based upon personal knowledge and upon information and belief based on the Commission’s investigative file and in support of Plaintiff’s Motion for Entry of Default Judgment Against Defendant James E. Reid (“Reid”).

2. On April 27, 2004, the Commission filed a Complaint initiating this action against Defendant Reid.

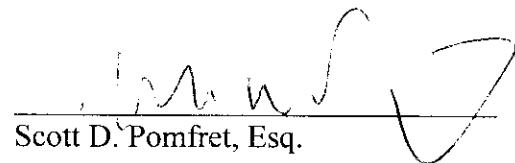
3. On October 6, 2004, the Clerk of Court entered a default against Reid pursuant to Rule 55(a) of the Federal Rules of Civil Procedure because Reid failed to answer or otherwise respond to the Commission’s complaint.

4. Upon information and belief, Reid is not an infant or incompetent person or in the military service of the United States.

5. The Commission's investigative file indicates, and the complaint alleges, that Reid received ill-gotten gains of approximately \$156,000 in commissions and approximately \$78,000 in salary, for a total of \$234,000, as a result of the misconduct described in the complaint.

6. Prejudgment interest on \$234,000, calculated at the rate established by the Internal Revenue Service for tax underpayment, for the period May 2002 through September 2004, is \$29,641.39. A chart containing the Commission's calculation of Reid's pre-judgment interest liability according to this methodology is attached as Exhibit A hereto.

Executed this 21st day of October 2004 at Boston, Massachusetts.



Scott D. Pomfret, Esq.